

VZCZCXRO0811
RR RUEHGR
DE RUEHGR #0149 3312050
ZNR UUUUU ZZH
R 262050Z NOV 08
FM AMEMBASSY GRENADA
TO RUEHC/SECSTATE WASHDC 0506
INFO RUEHWN/AMEMBASSY BRIDGETOWN 0540
RUEHGR/AMEMBASSY GRENADA 0587

UNCLAS GRENADA 000149

SIPDIS

E.O. 12958: N/A

TAGS: [EFIN](#) [PGOV](#) [SENV](#) [SOCI](#) [GJ](#)

SUBJECT: GRENADA WEEKLY ACTIVITY REPORT NOVEMBER 16 - 22, 2008

¶1. Embassy Grenada's weekly report (GWAR) provides a little detail about events of interest that do not merit longer reporting at this time.

¶2. Begin GWAR text:

a. Grenada Reopening Offshore Sector?

Re-establishing an offshore sector is one of the many ideas floating around to get the country out of its current financial hole. The Grenada Authority for the Regulation of Financial Institutions (GARFIN) and the Ministry will review all offshore legislation, most of which is six to seven years old. The government hopes to hire a consultant to help them through this process and to assist in determining the best type of offshore business for Grenada. According to GARFIN, the GOG has received occasional queries, but thus far has refrained from approving any new ventures pending the review. There are 75-80 companies currently registered, but no banks or insurance companies.

Grenada's previous experience with an offshore sector was less than successful. A number of scams were run off the island and little money was invested here.

b. Rains Undermine Road System

Two weeks of steady rain have left Grenada's ground soggy and unstable. According to experts, the total amount of rain was in the normal range for this time of year - however, usually it does not all come at once. Normal Grenada rainy season weather includes brief, heavy downpours followed by hours of brilliant sunshine, allowing water to be absorbed and evaporated. Only one death is believed to be the direct result of the flooding and landslides, but water mains and many houses were damaged.

The National Water and Sewerage Authority (NAWASA) hopes to soon have fixed all the pipes that shifted as the land moved. Schools without water storage tanks closed. Despite NAWASA's best efforts, several neighborhoods in the city of St. George's remain without water. NAWASA has provided free water throughout the crisis to residents without tanks.

Portions of several cross island roads were undermined in spots as the ground subsided. The GOG is trying to determine which roads remain safe and which need immediate rebuilding. Other roads were blocked by falling boulders and trees, which have mostly been cleared away by local residents. A number of unpaved country roads have been rendered nearly impassable, even for pedestrians. Grenadians whose houses were pulled apart and/or seriously cracked by the force of the land movement have been left homeless; there are no firm numbers.

c. Governor General Swearing In Rescheduled

The hastily arranged November 19 special sitting of parliament to swear in the new Governor General was canceled abruptly the night before when the proper documentation had not arrived from England. Post subsequently learned that no invitations had been sent out and that the Prime Minister was not actually on the island that day so attendance would have been sparse. To add to the embarrassment, the Grenada Advocate (a local weekly) included an article about the (phantom as it turned out) swearing in. The paper clearly wrote the item and sent the

paper off to be published in Barbados before news of the cancellation was made public.

The special session has now been rescheduled for November 27.

d. Government May Finally Outlaw Sand Mining

The GOG has proposed changes to the Beach Protection Act outlawing a common local practice of sand mining, removing sand, shingle, or gravel from the beach, the sea, and the shore. Grenadians have long mined the coastal areas for sand and gravel for the production of concrete. This has undermined a number of the country's beaches and in one case to cause some graves in an old cemetery to begin sliding into the sea.

Previous attempts to end the practice have led to strikes and other actions against the proposals. The new factor appears to be that Grenada's main concrete producer began to produce and sell high-grade gravel this year.

MCISAAC